

cc: Lynn

Outgoing

**From:** <Stephen\_Allen@blm.gov>  
**To:** "Paul Baker" <PAULBAKER@utah.gov>  
**Date:** 10/28/2010 9:53 AM  
**Subject:** Re: Jim Gay Mine Bond

**CC:** <Larry\_Garahana@blm.gov>, "Lynn Kunzler" <lynnkunzler@utah.gov>  
Paul,

Larry Garahana and I reviewed your spreadsheets and we concur with the \$1,200 bond increase for the Jim Gay mine.

thanks,

Stephen Allen  
Geologist  
BLM - Salt Lake Field Office  
2370 South 2300 West  
Salt Lake City, UT 84119  
(801) 977-4360  
Stephen\_Allen@blm.gov

"Paul Baker"  
<PAULBAKER@utah.gov>  
To  
<Larry\_Garahana@blm.gov>,  
<Stephen\_Allen@blm.gov>  
10/06/2010 03:48 PM  
cc  
"Lynn Kunzler"  
<lynnkunzler@utah.gov>  
Subject  
Jim Gay Mine Bond

Larry and Stephen--

We're looking at escalating the bond for the Jim Gay mine. I've attached two spreadsheets. The one from 2004 is the original set of calculations on which the current amount of \$96,400 is based. The second spreadsheet is strictly for escalation. I took the bond figure in 2004 dollars, used actual escalation figures to adjust the amount to 2010, then used a three-year average escalation figure (0.05%) to escalate the amount five years into the future. (I hope this explanation is clear.)

The result is not much of an increase, just \$1200 to \$97,600. I'm almost inclined to let this go, but I think we ought to ask for it.



Could you please let me know if you have any concerns about the amount of the way it was calculated? Can you concur with the amount?

Thank you.

Paul Baker  
Minerals Program Manager  
Utah Division of Oil, Gas and Mining  
801-538-5261  
Fax 801-359-3940

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Allen/SLFO/UT/BLM/DOI] [attachment "12022004bnd.XLS" deleted by Stephen  
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